

Department of Justice

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Acuity Specialty Products Group Pleads Guilty to Violating Clean Water Act

Company Fined \$3.8 Million

WASHINGTON - Acuity Specialty Products, Inc., (Acuity) a company that has a manufacturing plant in Atlanta pleaded guilty to a one-count information charging it with a knowing violation of the Clean Water Act. Per the terms of the plea agreement, U.S. District Judge Marvin H. Shoob imposed a sentence of three years of probation and a fine of \$3.8 million.

The allegations arise out of wastewater discharges from the Acuity facility, located in Atlanta. The facility operates as a chemical blending facility that manufactures numerous detergent and cleaning products which are used for industrial and domestic purposes. Within the facility are different plants, each of which produces a different type of detergent or cleaning product, including liquids, aerosols, powders and acids.

In its plea today, Acuity admitted that from at least September 1998 until November 2002, while inspectors from the City of Atlanta Watershed Department were at the Acuity facility conducting sampling, Acuity employees altered the wastewater flow in order to render the sampling inaccurate, with the intention of misleading the City of Atlanta. As a result of the investigation, Daniel Schaffer, Acuity's former Director of Environmental Compliance, pleaded guilty to conspiracy to violate the Clean Water Act, in February 2006. He is awaiting sentencing.

Acuity admitted in its plea that this improper practice had been in place before 1998, when it had first hired Schaffer. Acuity admitted that on numerous occasions, it had failed to report accurate wastewater flow data, phosphorus concentrations and pH results in reports that were submitted to the City of Atlanta. Acuity also admitted that on two occasions, it had failed to report discharges to the City of Atlanta, including a 10,000 gallon phosphorus discharge in 2000, and an acid spill in March 2002.

"The guilty plea today shows that corporations will be held accountable through criminal prosecution if they allow managers and employees to mislead environmental agencies and seek to hide Clean Water Act violations," said Ronald Tenpas, Acting Assistant Attorney General for the Environment and Natural Resources Division.

"Employees of Acuity showed a flagrant disregard for the environmental laws of the United States," said Acting U.S. Attorney Sally Quillian Yates. "Today's sentence is the harshest sentence ever imposed on a company in the Northern District of Georgia for a violation of environmental laws. This sentence signals to the business community that it must comply with laws that protect our environment and that a failure to do so will result in prosecution and severe penalties."

"This company systematically broke the law and hid illegal behavior from the City of Atlanta," said Grant

Nakayama, EPA's Assistant Administrator for Enforcement and Compliance. "Today's plea agreement should be seen as a warning to all companies -- if you falsify sampling results, you will be prosecuted."

The case was investigated by the EPA's Criminal Investigation Division. The case was prosecuted by Assistant U.S. Attorney Paul Jones, Special Assistant U.S. Attorney Margaret Kroening and Senior Trial Attorney Daniel Dooher of the Department of Justice Environmental Crimes Section.

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